



A Note on Dakhla, Morocco

Introduction

Soluna's flagship wind farm is in southern Morocco, near the city of Dakhla. Dakhla is situated in the region of [Oued-Ed-Dahab](#), a province in the Moroccan economic region of [Dakhla-Oued-Ed-Dahab](#). This region is also known as the disputed territory of Western Sahara.

This note provides a history of Western Sahara, the disputed territories, and a summary of how the current political landscape might affect Soluna's project.

Background on Western Sahara

Located in Northwest Africa, [Western Sahara](#) was a Spanish protectorate from 1884-1976. In 1963, the United Nations designated it a [Non-Self-Governing Territory](#), with Spain as the administering power.

In 1973, the Frente Polisario was established and launched a resistance campaign against Spain. In November 1975, Spain agreed with Morocco and Mauritania to assume administrative control of the territory. The conflict between the Polisario Front (supported by Algeria), Morocco and French-backed Mauritania began in 1975. When Mauritania withdrew in 1979, Morocco assumed the administration of portions of the territory, and now administers close to 90% of the region.

The U.N. brokered a ceasefire between Morocco and Frente Polisario in 1991. Since then, Morocco and the Frente Polisario have taken part in ongoing U.N. led talks to produce a more permanent political situation in the region. A [recent report on the situation from the UN Secretary-General](#) offers a detailed account of the U.N.'s mission in the area and activities focused on bringing this dispute to a peaceful resolution. In 2007, Morocco presented an [autonomy plan](#) for the disputed territory in Western Sahara to the U.N. Security Council. The United States and France both support the plan and believe it is the only plan that is credible and realistic.

More information about the recent history of Western Sahara can be found on the website of the [U.N. Mission for the Referendum in Western Sahara \(MINURSO\)](#).



Political and Economic Status of Non-Self-Governing Territories

The U.N. status of Western Sahara is the same as the U.N. status of the BVI or Cayman Islands (among 17 territories in total). These territories are designated as "non-self-governing territories" (NSG) and each has entered a specific process to resolve disputes between parties claiming authority on the territories. The outcome of these discussions may be independence, or more often, an agreement to the governance by a neighboring country. Alaska and Hawaii, for example, were previously on this list before joining the US. Puerto Rico was on the list before coming under US authority (while retaining a certain level of autonomy). You can find a list of NSG territories [here](#).

While the political status of an NSG territory is being determined, investment in the territory is usually allowed. BVI is a well-established host to foreign investment.

UN Legal Opinion on Resource Development

In a [2002 legal opinion](#) published by the UN, it clearly treats the issue of economic development as distinct from the U.N. led political process, and focuses on the U.N. Charter Article 73 requirement that "the interests of the inhabitants" of the territory be treated as "paramount." It concluded that exploration and development of resources in non-self-governing territories are consistent with international law if they are in the best interests of people in those territories. Therefore, an investment by Soluna in Morocco administered Western Sahara is allowed by the U.N. and supported by international law.

Soluna's Plan

Soluna has and will continue to develop its project in strict compliance with Moroccan laws in the region. We have received approval for the project by both the regional government of [Dakhla-Oued-Ed-Dahab](#) and the State. We are also negotiating an investment agreement with the Kingdom of Morocco. This agreement will soon be signed either by the Minister of Industry and the Minister of Finance or by the Prime Minister.

We are aware of the political sensitivities of the region and our investments in Dakhla, Morocco fully respect the legal frameworks that pertain to energy development. The Kingdom of Morocco (as the administrator of the region) has made a significant investment in the region and as we understand it, will continue to do so. We are mindful of relevant United Nations Security Council resolutions pertaining to the region and we are in alignment with the United States government view that the Moroccan autonomy plan is serious, credible and realistic. As envisioned, Soluna's investment will create economic vitality that will enhance the livelihood of



all the peoples of the region. We are also conscientious of the importance of ensuring our project is aligned with the principles that the interest of the inhabitants of these territories is paramount.

Our approach to our flagship site in Morocco is guided by [our ethics-driven philosophy](#) of Transparency, 100% Renewable energy, and Support of local economies. Please see our [Core Values video](#).

Our project will contribute to the economy of Dakhla in the following ways:

- (1) [Workforce, training, and development of local resources](#) - we hope to create a community of trained resources in blockchain computing and launch a center of excellence in the region. This will create many jobs in electrical engineering, software, and mechanical engineering, security, energy development, management, and maintenance. We also believe it will greatly improve the infrastructure of the region.
- (2) [Renewable energy development](#) - Soluna's flagship site will be among the largest in Morocco. Our ability to provide energy to the country will serve to progress the initiatives announced by King Mohammed VI of Morocco that aim to further energy security through the development of renewable resources.
- (3) [Soluna 1% program](#) - We plan to allocate 1% of our revenue to support local programs that provide meaningful value to the local citizens of Dakhla. These programs will include assistance with schools, training, and education. We will work closely with the government of the region and local organizations to ensure we consistently contribute to such significant programs.

Other Resources

- Letter from WSRW to Brookstone Partners [link to a copy of letter]
- UN List of non-self-governing territories
[https://en.wikipedia.org/wiki/United_Nations_list_of_Non-Self-Governing_Territories]
- Full text of the Moroccan Autonomy Plan
[<http://moroccanamericanpolicy.com/MoroccanCompromiseSolution041107.pdf>]
- A not-for-profit site covering all things Sahara and the Morocco Autonomy plan
[<http://autonomy-plan.org/history>]
- UN Resolution 2414 - Security Council; MINURSO [[http://undocs.org/S/RES/2414\(2018\)](http://undocs.org/S/RES/2414(2018))]
- History in Western Sahara [https://en.wikipedia.org/wiki/Western_Sahara]
- March 2018 report from UN Secretary-General [<http://undocs.org/S/2018/277>]
- 2002 UN Legal Opinion [https://digitallibrary.un.org/record/458183/files/S_2002_161-EN.pdf]